DEPARTMENT OF SOCIAL SERVICES 744 P Street, Sacramento, CA 95814



July 18. 1979

ALL-COUNTY INFORMATION NOTICE I- 77-79

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: SOCIAL SECURITY COST-OF-LIVING INCREASE

REFERENCE:

The Social Security Administration has announced a cost-of-living increase of 9.9 percent for all RSDHI beneficiaries. For those AFDC and Food Stamp recipients who receive RSDHI, the increase will be net nonexempt income and will require recalculation of the grant. In the case of Aid to Potentially Self-Supporting Blind (APSB) recipients, this increase must be considered as income and calculated in accordance with MPP 47-711.

The RSDHI cost-of-living increase will begin with July 1979 Social Security checks and should be reflected on the Form CA-7 submitted in August 1979. The accuracy of reported increased RSDHI benefit amounts may be verified by multiplying the old benefit by 109.9 percent. Notification via the appropriate Form 239 is required for recipients of AFDC and APSB whose grants are adjusted due to Social Security benefit increases.

Under Food Stamp regulations, MPP 63-505.211, recipients have the responsibility to notify the county of their change in income.

According to MPP 63-504.32, the county is responsible when notified of income changes for making changes to Food Stamp budgets and for sending Notices of Adverse Action.

An increase in Railroad Retirement benefits will also be effective in July 1979. Grant recalculation and notification of adjustments via the appropriate Form 239 is required for AFDC and APSB recipients who receive Railroad Retirement benefits. In Food Stamps, benefit recalculation and Notice of Adverse Action requirements are the same as described above for the RSDHI increase.

Separate information concerning the AFDC cost-of-living increase will be provided as soon as it is available.

If you have any questions about the effect of the RSDHI increase on AFDC, please contact your AFDC Management Consultant at (916) 445-4458. Questions concerning the Adult Programs should be directed to the Adult Program Management Branch at (916) 445-0813. Questions concerning the Food Stamp Program should be referred to the Food Stamp Program Operations Bureau at (916) 322-5475.

Sincerely,

KYLE S. McKINSEY Deputy Director

cc: CWDA